

By CARONA

H. B. No. 799

A BILL TO BE ENTITLED

AN ACT

relating to an exemption from the Residential Service Company Act for persons who are licensed to perform air conditioning and refrigeration contracting.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 25, Residential Service Company Act (Article 6573b, Revised Statutes), is amended to read as follows:

Sec. 25. EXEMPTIONS. The provisions of this Act shall not apply to any of the following persons and transactions, and each and all of the following persons and transactions are hereby exempted from the provisions of this Act, to wit:

(a) performance guarantees given by either the builder of a home or the manufacturer or seller of an appliance or other system or component;

(b) any residential service contract executed on or before the effective date of this Act;

(c) any service contract, guarantee, or warranty intending to guarantee or warrant the repairs or service of a home appliance, system, or component, provided such service contract, guarantee, or warranty is issued by a person who has sold, serviced, repaired, or provided replacement of such appliance, system, or component at the time of, or prior to the issuance of such contract, guarantee, or warranty; and provided further that the person issuing the service contract, guarantee, or warranty

1 does not engage in the business of a service company;

2 (d) any person engaging in the business of structural
3 pest control in compliance with the Texas Structural Pest Control
4 Act, as amended (Article 135b-6, Vernon's Texas Civil Statutes,
5 1925);

6 (e) any person who performs air conditioning and
7 refrigeration contracting in compliance with the Air Conditioning
8 and Refrigeration Contractor License Law (Article 8861, Vernon's
9 Texas Civil Statutes); and

10 (f) any service or maintenance contract or agreement,
11 or warranty, which provides for, warrants, or guarantees, the
12 maintenance, repair, service, replacement, or operation or
13 performance, of any product or part thereof, including but not
14 limited to a structural component, the appliances, or the
15 electrical, plumbing, heating, cooling or air-conditioning systems
16 in or of a building or residence, provided such service or
17 maintenance contract or agreement, or warranty is sold, offered for
18 sale, or issued by the manufacturer or merchant who manufactured or
19 sold such product or part thereof.

20 SECTION 2. This Act takes effect September 1, 1995, and
21 applies only to a residential service contract that is entered into
22 on or after that date. A residential service contract that is
23 entered into before that date is governed by the law in effect on
24 the date that the contract is entered into, and the former law is
25 continued in effect for that purpose.

26 SECTION 3. The importance of this legislation and the
27 crowded condition of the calendars in both houses create an

1 emergency and an imperative public necessity that the
2 constitutional rule requiring bills to be read on three several
3 days in each house be suspended, and this rule is hereby suspended.

95 FEB 10 PM 1:50
HOUSE OF REPRESENTATIVES

I certify that the attached is a true and correct copy of the document which was filed of record in the Chief Clerk's Office and referred to the committee on:

Licensing & Administrative Procedures

Cynthia Guehardt
Chief Clerk of the House

By CARONA

FILED JAN 25 1995
H. B. No. 799

A BILL TO BE ENTITLED

AN ACT

relating to an exemption from the Residential Service Company Act for persons who are licensed to perform air conditioning and refrigeration contracting.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 25, Residential Service Company Act (Article 6573b, Revised Statutes), is amended to read as follows:

Sec. 25. EXEMPTIONS. The provisions of this Act shall not apply to any of the following persons and transactions, and each and all of the following persons and transactions are hereby exempted from the provisions of this Act, to wit:

(a) performance guarantees given by either the builder of a home or the manufacturer or seller of an appliance or other system or component;

(b) any residential service contract executed on or before the effective date of this Act;

(c) any service contract, guarantee, or warranty intending to guarantee or warrant the repairs or service of a home appliance, system, or component, provided such service contract, guarantee, or warranty is issued by a person who has sold, serviced, repaired, or provided replacement of such appliance, system, or component at the time of, or prior to the issuance of such contract, guarantee, or warranty; and provided further that the person issuing the service contract, guarantee, or warranty

Michael D. [Signature]
[Illegible Title]

1 does not engage in the business of a service company;

2 (d) any person engaging in the business of structural
3 pest control in compliance with the Texas Structural Pest Control
4 Act, as amended (Article 135b-6, Vernon's Texas Civil Statutes,
5 1925);

6 (e) any person who performs air conditioning and
7 refrigeration contracting in compliance with the Air Conditioning
8 and Refrigeration Contractor License Law (Article 8861, Vernon's
9 Texas Civil Statutes); and

10 (f) any service or maintenance contract or agreement,
11 or warranty, which provides for, warrants, or guarantees, the
12 maintenance, repair, service, replacement, or operation or
13 performance, of any product or part thereof, including but not
14 limited to a structural component, the appliances, or the
15 electrical, plumbing, heating, cooling or air-conditioning systems
16 in or of a building or residence, provided such service or
17 maintenance contract or agreement, or warranty is sold, offered for
18 sale, or issued by the manufacturer or merchant who manufactured or
19 sold such product or part thereof.

20 SECTION 2. This Act takes effect September 1, 1995, and
21 applies only to a residential service contract that is entered into
22 on or after that date. A residential service contract that is
23 entered into before that date is governed by the law in effect on
24 the date that the contract is entered into, and the former law is
25 continued in effect for that purpose.

26 SECTION 3. The importance of this legislation and the
27 crowded condition of the calendars in both houses create an

1 emergency and an imperative public necessity that the
2 constitutional rule requiring bills to be read on three several
3 days in each house be suspended, and this rule is hereby suspended.

COAUTHOR AUTHORIZATION-74TH LEGISLATURE

(please request your coauthors to sign this form
in lieu of the front or the back of the original bill)

For chief clerk use only

Bill or Resolution Number: HB 799

[Signature]
signature of primary author

JOHN CARONA
printed name of primary author

1/26/95
Date

PERMISSION TO SIGN HB 799 HAS BEEN GIVEN TO (check only one of the following):
(bill or resolution #)

☒ ALL REPRESENTATIVES

☐ THE FOLLOWING REPRESENTATIVE(S): _____

I authorize the Chief Clerk to include my name as a coauthor of the legislation indicated above:

A2120 Alexander	Date	A2115 Allen	Date	A2125 Alonzo	Date
A2105 Alvarado	Date	A2135 Averitt	Date	A2160 Bailey	Date
A2200 Berlanga	Date	A2240 Black	Date	A2270 Bomer	Date
A2275 Bosse	Date	A2265 Brady	Date	A2260 Brimer	Date
A2405 Carona	Date	A2400 Carter	Date	A2480 Chisum	Date
A2530 Clemons	Date	A2435 Coleman	Date	A2575 Combs	Date
A2580 Conley	Date	A2570 Cook	Date	A2595 Corte	Date
A2600 Counts	Date	A2605 Crabb	Date	A2610 Craddick	Date
A2645 Cuellar, Henry	Date	A2646 Cuellar, Renato	Date	A2635 Culberson	Date
A2670 Danburg	Date	A2675 Davila	Date	A2625 Davis	Date
A2630 De La Garza	Date	A2685 Dear	Date	A2680 Delisi	Date
A3385 Denny	Date	A2705 Driver	Date	A2665 Dukes	Date
A2655 Duncan	Date	A2650 Dutton	Date	A2770 Edwards	Date
A2760 Ehrhardt	Date	A2775 Eiland	Date	A2785 Elkins	Date
A2810 Farrar	Date	A2830 Finnell	Date	A2920 Gallego	Date
A2935 Giddings	Date	A2880 Glaze	Date	A2985 Goodman	Date
A2990 Goolsby	Date	A3005 Gray	Date	A3010 Greenberg	Date
A3020 Grusendorf	Date	A3030 Gutierrez	Date	A3035 Haggerty	Date
A2695 Hamric	Date	A3120 Harris	Date	A3170 Hartnett	Date
A3345 Hawley	Date	A3180 Heflin	Date	A3230 Hernandez	Date
A3240 Hightower	Date	A3310 Hilbert	Date	A3250 Hilderbran	Date

For chief clerk use only
Bill or Resolution Number:

HB 799

A3275 Hill	Date	A3285 Hirschi	Date	A3305 Hochberg	Date
A3295 Holzheuser	Date	A3300 Horn	Date	A3315 Howard	Date
A3350 Hudson	Date	A3355 Hunter, Bob	Date	A3365 Hunter, Todd	Date
A3380 Jackson	Date	A3415 Janek	Date	A3395 Johnson	Date
A3405 Jones, Delwin	Date	A3400 Jones, Jesse	Date	A3440 Junell	Date
A3460 Kamel	Date	A3465 King	Date	A3485 Krusee	Date
A3490 Kubiak	Date	A3450 Kuempel	Date	A3510 Laney	Date
A3605 Lewis, Glenn	Date	A3600 Lewis, Ron		A3615 Longoria	Date
A3620 Luna	Date	A3715 Madden	Date	A3750 Marchant	Date
A2700 Maxey	Date	A3665 McCall	Date	A3670 McCoulskey	Date
A3660 McDonald	Date	A3850 Moffat	Date	A3860 Moreno	Date
A3865 Mowery	Date	A3855 Munoz	Date	A3885 Naishtat	Date
A3895 Nixon	Date	A3875 Oakley	Date	A3990 Ogden	Date
A3880 Oliveira	Date	A4020 Park	Date	A4070 Patterson	Date
A4180 Pickett	Date	A4185 Pitts	Date	A4110 Place	Date
A4190 Price	Date	A4200 Puente	Date	A4230 Rabuck	Date
A4210 Ramsay	Date	A4240 Rangel	Date	A4235 Raymond	Date
A4236 Reyna	Date	A4260 Rhodes	Date	A4315 Rodriguez	Date
A4325 Romo	Date	A4305 Rusling	Date	A4370 Sadler	Date
A4380 Saunders	Date	A4425 Seidlits	Date	A4460 Serna	Date
A4435 Shields	Date	A4445 Siebert	Date	A4530 Smithee	Date
A4550 Solis	Date	A4505 Solomons	Date	A4510 Stiles	Date
A4570 Swinford	Date	A4585 Talton	Date	A4605 Telford	Date
A4630 Thompson	Date	A4635 Tillery	Date	A4640 Torres	Date
A2730 Turner, Bob	Date	A4685 Turner, Sylvester	Date	A4690 Uher	Date
A4720 Van de Putte	Date	A4990 Walker	Date	A4995 West	Date
A5010 Williamson	Date	A4970 Willis	Date	A5000 Wilson	Date
A5015 Wohlgemuth	Date	A4980 Wolens	Date	A5005 Woolley	Date
A5025 Yarbrough	Date	A5030 Yost	Date	A5040 Zbranc	Date

HOUSE COMMITTEE REPORT

1st Printing

By Carona

H.B. No. 799

A BILL TO BE ENTITLED

AN ACT

relating to an exemption from the Residential Service Company Act for persons who are licensed to perform air conditioning and refrigeration contracting.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF TEXAS:

SECTION 1. Section 25, Residential Service Company Act (Article 6573b, Revised Statutes), is amended to read as follows:

Sec. 25. EXEMPTIONS. The provisions of this Act shall not apply to any of the following persons and transactions, and each and all of the following persons and transactions are hereby exempted from the provisions of this Act, to wit:

(a) performance guarantees given by either the builder of a home or the manufacturer or seller of an appliance or other system or component;

(b) any residential service contract executed on or before the effective date of this Act;

(c) any service contract, guarantee, or warranty intending to guarantee or warrant the repairs or service of a home appliance, system, or component, provided such service contract, guarantee, or warranty is issued by a person who has sold, serviced, repaired, or provided replacement of such appliance, system, or component at the time of, or prior to the issuance of such contract, guarantee, or warranty; and provided further that the person issuing the service contract, guarantee, or warranty

1 does not engage in the business of a service company;

2 (d) any person engaging in the business of structural
3 pest control in compliance with the Texas Structural Pest Control
4 Act, as amended (Article 135b-6, Vernon's Texas Civil Statutes,
5 1925);

6 (e) any person who performs air conditioning and
7 refrigeration contracting in compliance with the Air Conditioning
8 and Refrigeration Contractor License Law (Article 8861, Vernon's
9 Texas Civil Statutes); and

10 (f) any service or maintenance contract or agreement,
11 or warranty, which provides for, warrants, or guarantees, the
12 maintenance, repair, service, replacement, or operation or
13 performance, of any product or part thereof, including but not
14 limited to a structural component, the appliances, or the
15 electrical, plumbing, heating, cooling or air-conditioning systems
16 in or of a building or residence, provided such service or
17 maintenance contract or agreement, or warranty is sold, offered for
18 sale, or issued by the manufacturer or merchant who manufactured or
19 sold such product or part thereof.

20 SECTION 2. This Act takes effect September 1, 1995, and
21 applies only to a residential service contract that is entered into
22 on or after that date. A residential service contract that is
23 entered into before that date is governed by the law in effect on
24 the date that the contract is entered into, and the former law is
25 continued in effect for that purpose.

26 SECTION 3. The importance of this legislation and the
27 crowded condition of the calendars in both houses create an

H.B. No. 799

1 emergency and an imperative public necessity that the
2 constitutional rule requiring bills to be read on three several
3 days in each house be suspended, and this rule is hereby suspended.

COMMITTEE REPORT

The Honorable Pete Laney
Speaker of the House of Representatives

4-11-95
(date)

Sir:

We, your COMMITTEE ON LICENSING AND ADMINISTRATIVE PROCEDURES

to whom was referred HB 799 have had the same under consideration and beg to report back with the recommendation that it

- ☒ do pass, without amendment.
- ☐ do pass, with amendment(s).
- ☐ do pass and be not printed; a Complete Committee Substitute is recommended in lieu of the original measure.
- ☒ yes ☐ no A fiscal note was requested.
- ☐ yes ☒ no A criminal justice policy impact statement was requested.
- ☐ yes ☒ no An equalized educational funding impact statement was requested.
- ☐ yes ☒ no An actuarial analysis was requested.
- ☐ yes ☒ no A water development policy impact statement was requested.
- ☐ The Committee recommends that this measure be sent to the Committee on Local and Consent Calendars.

For Senate Measures: House Sponsor _____

Joint Sponsors _____ / _____ / _____ / _____

Co-Sponsors: _____

The measure was reported from Committee by the following vote:

	AYE	NAY	PNV	ABSENT
Wilson, Ch.	X			
Kubiak, V.C.	X			
Brimer				X
Dear				X
Goolsby	X			
Jones, D.				X
Pickett	X			
Torres	X			
Yarbrough	X			

Total 6 aye
 0 nay
 0 present, not voting
 3 absent


CHAIRMAN

BILL ANALYSIS

Licensing & Administrative Procedures Committee
H.B. 799
By: Carona
4-11-95
Committee Report (Unamended)

BACKGROUND

The Residential Service Company Act (Article 6573b, Revised Statutes) provides for the regulation of persons who perform services pursuant to residential service contracts. Section 25 provides for certain exemptions from the Act.

PURPOSE

H.B. 799 would exempt from regulation under the Residential Service Company Act any person who performs air conditioning and refrigeration contracting in compliance with the Air Conditioning and Refrigeration Contractor License Law (Article 8861, V.C.T.S.).

RULEMAKING AUTHORITY

It is the committee's opinion that this bill does not grant any additional rulemaking authority to a state officer, institution, or agency.

SECTION BY SECTION ANALYSIS

SECTION 1. Amends Section 25, Residential Service Company Act (Article 6573b, Revised Statutes) by adding to exempt any person who performs air conditioning and refrigeration contracting in compliance with the Air Conditioning and Refrigeration Contractor License Law (Article 8861, V.C.T.S.).

SECTION 2. Effective date: September 1, 1995

SECTION 3. Emergency clause.

SUMMARY OF COMMITTEE ACTION

HB 799 was heard in a Public Hearing on March 29, 1995. The Chair recognized the following persons to testify in favor of the bill:

Mr. William M. Mairs, TACCA, Tx. Air Conditioning Contractors Assoc.;

Mr. Fred E. Kahn, TACCA;

HB 799 was left pending in committee. HB 799 was heard in a Public Hearing on April 11, 1995. The Chair called up HB 799 which was pending in committee. There was no objection. Rep. Yarbrough moved that the full committee adopt HB 799 and that it be reported favorably to the full House with the recommendation that it do pass and be printed. The motion prevailed by the following vote: AYES: 6, NAYS: 0, ABSENT: 3.

**LEGISLATIVE BUDGET BOARD
Austin, Texas**

**FISCAL NOTE
74th Regular Session**

March 28, 1995

**TO: Honorable Ron Wilson, Chair
Committee on Licensing & Administrative
Procedures
House of Representatives
Austin, Texas**

**IN RE: House Bill No. 799
By: Carona**

FROM: John Keel, Director

In response to your request for a Fiscal Note on House Bill No. 799 (Relating to an exemption from the Residential Service Company Act for persons who are licensed to perform air conditioning and refrigeration contracting.) this office has determined the following:

The bill would amend the Residential Service Company Act to provide an exemption for persons who perform air conditioning and refrigeration contracting in compliance with the Air Conditioning and Refrigeration Contractor License Law.

No fiscal implication to the State or units of local government is anticipated.

**Source: Real Estate Commission, Department of Licensing and Regulation
LBB Staff: JK, RM, DF**

H.B. No.

799

By

CARONA

A BILL TO BE ENTITLED
AN ACT

Relating to an exemption from the Residential Service Company Act for persons who are licensed to perform air conditioning and refrigeration contracting.

JAN 25 1995

Filed with the Chief Clerk

FEB 2 1995

Read first time and referred to Committee on

Licensing & Administrative Procedures

4-11-95

Reported ___ favorably (as amended)
(as substituted)

APR 19 1995

Sent to Committee on (Calendars)

(Local & Consent Calendars)

Read second time (comm. subst.) (amended); passed to third reading (failed) by a (non-record vote)
(record vote of ___ yeas, ___ nays, ___ present, not voting)

Constitutional rule requiring bills to be read on three several days suspended (failed to suspend)
by a vote of ___ yeas, ___ nays, ___ present, not voting

Read third time (amended); finally passed (failed to pass) by a (non-record vote)
(record vote of ___ yeas, ___ nays, ___ present, not voting)

Engrossed

Sent to Senate

CHIEF CLERK OF THE HOUSE

OTHER HOUSE ACTION:

Received from the House

Read and referred to Committee on

Reported favorably

Reported adversely, with favorable Committee Substitute; Committee Substitute read first time

Ordered not printed

Laid before the Senate

Senate and Constitutional Rules to permit consideration suspended by (unanimous consent)
(___ yeas, ___ nays)

Read second time, _____, and passed to third reading by (unanimous consent)
(a viva voce vote)
(___ yeas, ___ nays)

Senate and Constitutional 3 Day Rules suspended by a vote of ___ yeas, ___ nays

Read third time, _____, and passed by (a viva voce vote)
(___ yeas, ___ nays)

Returned to the House

SECRETARY OF THE SENATE

OTHER SENATE ACTION:

_____ Returned from the Senate (as substituted)
(with amendments)

_____ House concurred in Senate amendments by a (non-record vote)
(record vote of _____ yeas, _____ nays, _____ present, not voting)

_____ House refused to concur in Senate amendments and requested the appointment of a conference committee
by a (non-record vote) (record vote of _____ yeas, _____ nays, _____ present, not voting)

_____ House conferees appointed: _____, Chair; _____,
_____, _____, _____

_____ Senate granted House request. Senate conferees appointed: _____, Chair;
_____, _____, _____, _____

_____ Conference committee report adopted (rejected) by the House by a (non-record vote)
(record vote of _____ yeas, _____ nays, _____ present, not voting)

_____ Conference committee report adopted (rejected) by the Senate by a (viva voce vote)
(record vote of _____ yeas, _____ nays)

55 APR 18 PM 1:16
HOUSE OF REPRESENTATIVES